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Agenda item 134
Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Implementation of paragraph 3 of General Assembly resolution 57/323

Note by the Secretary-General

1. By its resolution 57/323 of 18 June 2003, the General Assembly requested the Secretary-General to return 50 per cent of the net cash available for credit to Member States as at 30 June 2002, in the amount of $84,446,000, by 30 June 2003 and decided to postpone the return of the remaining 50 per cent until 31 March 2004 in respect of the fund balances of the United Nations Mission in Haiti (UNMIH); the United Nations Observer Group in Central America (ONUCA) and the United Nations Observer Mission in El Salvador (ONUSAL); the United Nations Preventive Deployment Force (UNPREDEP); the United Nations Protection Force, the United Nations Confidence Restoration Operation in Croatia, the United Nations Preventive Deployment Force and the United Nations Peace Forces headquarters (UNPF); the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium (UNTAES) and the Civilian Police Support Group; the United Nations Angola Verification Mission (UNAVEM) and the United Nations Observer Mission in Angola (MONUA); the United Nations Observer Mission Uganda-Rwanda (UNOMUR) and the United Nations Assistance Mission for Rwanda (UNAMIR); the United Nations Mission of Observers in Tajikistan (UNMOT); the United Nations Transition Assistance Group (UNTAG) and the United Nations Observer Mission in Liberia (UNOMIL).

2. The net cash available for credit to Member States as at 29 February 2004 amounted to $57,399,000, as set out below.

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Consolidated cash position of UNMIH, ONUCA/ONUSAL, UNPREDEP, UNPF, UNTAES/Civilian Police Support Group, UNAVEM/MONUA, UNOMUR/UNAMIR, UNMOT, UNTAG and UNOMIL as at 29 February 2004

(Thousands of US dollars)

Category	*Amount*
Cash assets	371 203
Less: Liabilities	153 054
Less: Amount to be returned to Member States[a]	43 750
Cash available for credit to Member States as at 30 June 2003	**174 399**
Less: Outstanding loans made since 30 June 2003[b]	117 000
Cash available for credit to Member States as at 29 February 2004	**57 399**

[a] Amounts represent the respective share of Member States in the cash balance of UNPF and UNMIH as at 30 June 2002 that remain outstanding pending the receipt of their assessed contributions for the funding of the strategic deployment stocks (General Assembly resolution 56/292 of 27 June 2002).

[b] Represents loans of $152 million less repayments of $35 million.

3. Loans totalling $152 million were made between 30 June 2003 and 29 February 2004 in order to sustain the operations of the United Nations Interim Administration Mission in Kosovo (UNMIK) ($65 million), the United Nations Mission for the Referendum in Western Sahara (MINURSO) ($9 million), the International Tribunal for the Former Yugoslavia ($50 million) and the International Criminal Tribunal for Rwanda ($28 million). Those loans resulted from significant cash shortages in UNMIK, MINURSO and the two Tribunals owing to significant non-payment of assessments, which threatened the viability of those operations. Following the subsequent receipt of contributions, $31 million was repaid in respect of the International Tribunal for the Former Yugoslavia and $4 million was repaid in respect of the International Criminal Tribunal for Rwanda. Repayments of loans are solely dependent upon the receipt of outstanding assessed contributions.

4. The cash available in the Peacekeeping Reserve Fund as at 29 February 2004 amounted to $74.0 million (see A/58/724). That, together with the $57.4 million currently available in the special accounts of closed missions as indicated above, totals $131.4 million.

5. The Security Council established the United Nations Operation in Côte d'Ivoire (UNOCI) on 27 February 2004 (resolution 1528 (2004)), and on 29 February 2004 the Council declared its readiness to establish a follow-on stabilization force in Haiti (resolution 1529 (2004)). The United Nations Mission of Support in East Timor may be extended for a further 12-month period beyond 20 May 2004, and discussions are ongoing regarding potential United Nations operations in Burundi and the Sudan. All of these would give rise to immediate cash requirements before the General Assembly was in a position to review and approve the related budgets and the amounts to be assessed. In addition, there is a significant time lag between the approval of assessments and the collection of contributions.

6. The cash related to closed missions ($57.4 million) and the amount available in the Peacekeeping Reserve Fund ($74.0 million) would therefore be required to meet the immediate cash requirements of UNOCI and the potential missions mentioned in the preceding paragraph. Under the circumstances, prudence dictates that the return to Member States of the amount of $84,446,000, representing 50 per cent of the net cash available for credit to Member States as at 30 June 2002, be postponed. **The Secretary-General proposes that this issue be revisited by the General Assembly at the main part of its fifty-ninth session**.